

Message Text

LIMITED OFFICIAL USE

PAGE 01 ABIDJA 06037 161113Z

ACTION AF-10

INFO OCT-01 ISO-00 EUR-12 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01 NSC-05

SS-15 STR-04 CEA-01 L-03 DODE-00 /094 W

-----162134Z 090424 /73

R 160915Z JUN 77

FM AMEMBASSY ABIDJAN

TO SECSTATE WASHDC 4008

LIMITED OFFICIAL USE ABIDJAN 6037

E.O. 11652: N/A

TAGS: EFIN, IV

SUBJECT: JUMBO EUROCURRENCY LOAN TO IVORY COAST

SIGNED

REF: (A) ABIDJAN 1123, (B) ABIDJAN 5903

1. THE GOVERNMENT OF IVORY COAST(GOIC), REPRESENTED BY MINISTER OF ECONOMY AND FINANCE KONAN BEDIE, SIGNED A 140-MILLION DOLLAR EUROCURRENCY AGREEMENT ON JUNE 14. THIS IS THE "JUMBO" LOAN REFERRED TO IN REFTTEL(A) DESIGNED TO DECREASE THE NUMBER OF TIMES THE IVORY COAST NEED APPEAR IN THE EUROCURRENCY MARKET. THE LOAN IS FOR FIVE YEARS; TWO YEARS GRACE AND THREE YEARS PAYBACK AT TWO PERCENT ABOVE THE LONDON INTERBANK RATE (LIBOR). THE GOIC HAD HOPED FOR BETTER TERMS, BUT THESE WERE THE BEST OBTAINABLE.

2. THE SYNDICATION WAS CO-MANAGED BY CITICORP INTERNATIONAL BANK, LTD., AND FIRST CHICAGO LTD. TWENTY-NINE BANKS INCLUDING THE CO-AMANGERS, PARTICIPATED. AT THE REQUEST OF THE PARTICIPATING BANKS, THE CO-MANAGERS INSISTED UPON AND RECEIVED AN AMORTIZATION SCHEDULE FOR THE

LIMITED OFFICIAL USE

PAGE 02 ABIDJA 06037 161113Z

PRESENT EXTERNAL DEBT, AND THEY ALSO INSISTED THAT THE LOAN BE TIED TO SPECIFIC PROJECTS. THE LOAN IS THUS TO BE EXPENDED ON SIX PROJECTS: THE SUGAR COMPLEX AT SEREBOU AT THE EDGE OF THE FOREST REGION ON THE KOMOE RIVER, EXTENSION OF THE RUNWAY AT PORT-BOUET(ABIDJAN'S AIRPORT), THE TAABO DAM, THE BUYO DAM, CONSTRUCTION OF A SMALL CONTAINER

FACILITY AT PORT ABIDJAN, AND CONSTRUCTION OF AN EIGHT KILOMETER ACCESS ROAD NETWORK LINKING THE PLANNED MAIN EAST-WEST HIGHWAY NORTH OF ABIDJAN TO THE PORT'S EAST-WEST PIERS, WHICH WILL REQUIRE A THIRD BRIDGE. VERIFICATION PROCEDURES HAVE BEEN ESTABLISHED BY THE SYNDICATE FOR DISBURSEMENTS TO EACH OF THE PROJECTS AND FOR EXPENDITURES ON EACH OF THE PROJECTS.

3. COMMENT. THIS JUMBO LOAN WAS SIGNED DESPITE SPECULATION OF SIGNIFICANT MINISTERIAL CHANGES(SEE REFTEL B). FIRST CHICAGO LTD ALMOST PULLED OUT, BUT AT THE LAST MINUTE SHOWED UP AND SIGNED THE AGREEMENT. THIS DEMONSTRATION OF CONFIDENCE BY INTERNATIONAL LENDERS IN THE CREDITWORTHINESS OF IVORY COAST COULD NOT HAVE COME AT A BETTER TIME FOR PRESIDENT HOUPHOUET-BOIGNY, WHO MUST BE WRESTLING WITH ONE OF THE MORE DIFFICULT DECISIONS OF HIS LONG PRESIDENCY. STEARNS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOAN AGREEMENTS, EURODOLLAR, DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 16-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ABIDJA06037
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770215-0853
Format: TEL
From: ABIDJAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770652/aaaabtid.tel
Line Count: 81
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9b14077c-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 ABIDJAN 1123, 77 ABIDJAN 5903
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2135793
Secure: OPEN
Status: NATIVE
Subject: JUMBO EUROCURRENCY LOAN TO IVORY COAST SIGNED
TAGS: EFIN, IV
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/9b14077c-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009